



**PROPOSED SENATE
2014 SUPPLEMENTAL
CAPITAL OVERVIEW &
PROJECT LIST**

SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE
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TABLE OF CONTENTS

SUBJECT	PAGE
2014 SUPPLEMENTAL CAPITAL BUDGET INTRODUCTION	2
BUDGET OVERVIEW	
PUBLIC SCHOOLS.....	2
OTHER MAJOR SUPPLEMENTAL BUDGET CHANGES (PSSB 6020)	3
2014 PROJECT LIST	4
2014 DETAILED PROJECT LIST	5

INTRODUCTION

The 2014 supplemental capital budget is contained in three bills:

- PSSB 6020, the main supplemental capital budget
- SSB 6081, which creates two new grant programs for K-12 facilities and reinvests K-12 capital budget savings in those new grant programs for science, technology, engineering and math (STEM) labs and all-day kindergarten.
- SSB 6516, which creates and funds a task force on financing water supply and flood and storm water control projects.

Combined, the three bills increase funding by \$121 million in total funds, while maintaining the current bond funding level appropriated in the 2013-15 biennial budget. Major sources of revenue to support the increase include \$71 million in the water pollution control revolving fund and \$57 million model toxics control act (MTCA) accounts.

BUDGET OVERVIEW: PUBLIC SCHOOLS

DECREASES

SCHOOL CONSTRUCTION ASSISTANCE PROGRAM - \$58 MILLION BOND REDUCTION, \$78 MILLION TOTAL FUND REDUCTION

The latest projection of required funding to fully fund the School Construction Assistance Program is \$78 million less than the 2013-15 budget. The adjustment is due primarily to fewer projects eligible for assistance than estimated in the biennial budget. This adjustment is contained in SSB 6081.

INCREASES

STEM LABS AND ALL-DAY KINDERGARTEN GRANTS - \$50 MILLION BONDS

SSB 6081 creates two new grant programs to improve public school facilities. A grant program to upgrade and modernize science, technology, engineering and math (STEM) facilities is established with \$25 million in initial funding provided. The bill also provides \$25 million as initial funding to support a new grant program for needed space for state-funded all-day kindergarten.

SKILLS CENTER FUNDING - \$2.9 MILLION BONDS, \$4.9 MILLION TOTAL FUNDS

The supplemental capital budget (PSSB 6020) provides \$1 million to expand the Spokane Valley Tech skills center and \$3.9 million to remediate poor soils and provide utilities for the new Puget Sound skills center.

EMERGENCY REPAIR FUNDING FOR PUBLIC SCHOOLS - \$1.1 MILLION BONDS

The supplemental capital budget (PSSB 6020) provides \$1.1 million to increase the emergency repair pool for K-12 to cover the cost of the boiler replacement at Skykomish School.

BUDGET OVERVIEW: OTHER MAJOR SUPPLEMENTAL CAPITAL BUDGET CHANGES (PSSB 6020)

DECREASES

MORE MONEY IN HIGHER EDUCATION BUILDING ACCOUNTS ALLOWS A REDUCTION IN BOND FUNDS OF \$12 MILLION WITH NO CHANGE IN TOTAL FUNDING

The latest estimates of building account fund balances for higher education institutions show additional revenues to support projects originally funded with bonds. The supplemental capital budget shifts those projects to the available building account funds.

THE 1063 STATE OFFICE BUILDING PROJECT BOND FUNDING IS REDUCED BY \$11 MILLION

As provided in the 2013-15 biennial budget the cost per square foot for this \$82 million state office building on the capital campus was limited so that the annual rent per gross square foot did not exceed \$26 including debt service and operating cost. Latest estimates from the Office of Financial Management for the project exceed that limit by 30 percent. \$13 million in bonds were provided for design and demolition for the project. The supplemental capital budget cancels the project and removes the balance of the bond appropriation after covering \$2 million in contract costs.

INCREASES

CLEAN UP OF TOXIC WASTE SITES - \$46 MILLION STATE AND LOCAL TOXICS ACCOUNTS AND ENVIRONMENTAL LEGACY STEWARDSHIP ACCOUNT

The supplemental capital budget provides funding for about 30 additional projects that clean up toxic waste sites.

WATER POLLUTION CONTROL REVOLVING LOAN PROGRAM - \$70 MILLION

The supplemental capital budget increases the appropriation for clean water projects funded with this revolving fund that has been capitalized with 75 percent federal funding. The program provides low interest loans and grants for clean water projects that are ready for construction.

REDUCE AGRICULTURAL POLLUTION THROUGH THE VOLUNTARY STEWARDSHIP PROGRAM - \$7 MILLION

The supplemental capital budget fully funds the remaining counties that have opted into the voluntary stewardship program established in legislation passed in 2011 (Chapter 360 Laws of 2011 - ESHB 1886). Environmental Legacy Stewardship Account funding is used to establish voluntary and locally workable practices to reduce the environmental impact from agricultural operations.

REPAIRS AND IMPROVEMENTS AT STATE FACILITIES AND INSTITUTIONS - \$14 MILLION BONDS

The supplemental capital budget provides funding to improve patient safety at Western and Eastern State Hospitals, repair electrical services at Fircrest School and replace the chiller at Lakeland Village. The budget also funds the design for a new kitchen and pharmacy building at Western State Hospital.

2014 Supplemental Capital Budget Structure

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* Includes Alternative Finance Projects

	<u>\$ Millions</u>
<u>Bond Savings</u>	
School Construction Assistance Program Update	(57.9)
Higher Education Building Account Updates	(12.4)
1063 Project Termination	(11.1)
Technical Adjustments	(5.4)
Total Bond Savings	(86.8)
<u>New Bond Expenditures</u>	
STEM Labs & All-Day Kindergarten Grants	50.0
Other K-12 Projects	4.0
Total K-12	54.0
<u>Other Bond Investments</u>	
Repairs to State Facilities	14.0
Chehalis Basin Flood Control Projects	5.0
State Drought Preparedness	5.0
Fix Fish-Blocking Culverts	4.4
Other Projects	4.3
Total Other Bond Funded Projects	32.8
Total New Bond Expenditures	86.8
<u>Major New Investments with Other Funds</u>	
Increased Funding for Clean Water Infrastructure	70.5
Toxic Clean up Projects	46.0
Higher Education Projects with COPs & Local Funds	49.1

2014 Supplemental Capital Budget

Senate Ways and Means Chair

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(Dollars In Thousands)

New Appropriations	State Bonds	Total
Governmental Operations		
<i>Office of the Secretary of State</i>		
Archives Facilities Maintenance Environmental Control	46	46
Library - Archives Building	-	250
Total	46	296
<i>Department of Commerce</i>		
Drinking Water State Revolving Fund Loan Program	(4,400)	(4,400)
Community Economic Revitalization Board	-	5,000
Renton Aerospace Training Center	10,000	10,000
Clean Energy and Energy Freedom Program	-	-
Projects for Jobs & Economic Development	(10,000)	(10,000)
Renton Aerospace Training Center Construction	(10,000)	(10,000)
Projects that Strengthen Communities & Quality of Life	(1,000)	(1,000)
228th Street Trail	(500)	(500)
Town of Concrete Fire and Life Safety Facility	(500)	(500)
Preserve/Recover Vashon Is. Historic Property	350	350
Total	(5,050)	(50)
<i>Office of Financial Management</i>		
Catastrophic Flood Relief	5,000	5,000
Chehalis River Basin Projects	5,000	5,000
Emergency Repair Pool for K-12 Public Schools	1,116	1,116
WWU Carver Best Study	100	100
Reduce Cost of Private Market Capital for Local Infrastructure	-	100
Total	6,216	6,316
<i>Department of Enterprise Services</i>		
1063 Block Replacement	(11,050)	(80,050)
Total Governmental Operations	(9,838)	(73,488)
Human Services		
<i>Department of Labor and Industries</i>		
Relocation of Industrial Hygiene Lab & Safety Training	-	150
<i>Department of Social and Health Services</i>		
Western State Hospital New Kitchen and Commissary Building	1,350	1,350
Lakeland Village Chiller Replacement	1,400	1,400
Fircrest School Electrical Service Repairs	2,500	2,500

2014 Supplemental Capital Budget

Senate Ways and Means Chair

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New Appropriations	State Bonds	Total
ESH and WSH-All Wards: Patient Safety Improvements	4,774	4,774
Total	10,024	10,024
 Department of Corrections		
Monroe Correctional Complex Contaminated Soil Remediation	-	700
DOC Centralized Pharmacy Westside	120	120
Total	120	820
 Total Human Services	10,144	10,994
 Natural Resources		
Department of Ecology		
Low-Level Nuclear Waste Disposal Trench Closure	-	3,354
Centennial Clean Water Program	-	750
Wapato Lake Clean Up	-	750
Water Pollution Control Revolving Program	-	-
Water Pollution Control Revolving Loan Program	-	70,500
Remedial Action Grants	-	21,696
Voluntary Cleanup	-	543
Port of Pasco	-	944
Port of Bellingham	-	2,000
Port of Port Angeles	-	750
City of Port Angeles	-	400
Port of Bellingham	-	1,000
Port of Tacoma	-	2,700
Port of Tacoma - Kaiser	-	2,300
Port of Tacoma - Earley Business Center Clean Up	-	285
Port of Tacoma - Parcel 2	-	225
Port of Grays Harbor - Hungry Whale Site	-	169
Kitsap County - Olalla Landfill Site	-	200
Port of Camas/Washougal - Hambleton Lumber Site	-	380
City of Shelton - C Street Landfill	-	400
King County - Maury Island Open Space Site	-	2,200
Port of Bellingham - Cornwall Ave Landfill Site	-	1,000
City of Bothell - Crossroads Site	-	1,000
City of Bothell - Bothell Service Center Site	-	1,700
Port of Bellingham - Marine Svcs NW Site	-	1,000
City of Bothell - Case Site	-	2,500
Clean-Up Toxic Sites - Puget Sound	-	17,880
Eagle Harbor/Wyckoff	-	900
Tiki Car Wash	-	2,500
Bainbridge Island City Strawberry Plant	-	2,000
BP Bothell 11352	-	200

2014 Supplemental Capital Budget

Senate Ways and Means Chair

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New Appropriations	State Bonds	Total
Lower Duwamish Waterway Slivers	-	5,000
RG Haley Remedial Action	-	2,280
Port Angeles Municipal Landfill	-	5,000
Headquarters Energy Conservation and HVAC Replacement	-	750
Headquarters Emergency Generator Replacement	-	4,968
Eastern Washington Clean Sites Initiative	-	3,000
Yakima Tiger Properties	-	2,000
Dryden Pit	-	500
Mackner Scales	-	500
Storm Water Improvements	-	1,700
Lake Forest Park Hw 522 Storm Water Flooding	-	1,700
State Drought Preparedness	5,000	10,000
Total	5,000	134,598
State Conservation Commission		
Reduce Agricultural Toxic Pollution - Vol. Stewardship Program	-	7,000
Department of Fish and Wildlife		
Marblemount Hatchery Culverts	1,098	1,098
Department of Natural Resources		
State Forest Land Replacement	1,500	1,500
Forest Hazard Reduction	773	773
Olympic Region Shop Fire Recovery	1,427	2,110
Marine Station	300	535
Teanaway Community Forest Trust	1,620	1,620
Replace Barrier Culverts on DNR Land	3,350	3,350
Total	8,970	9,888
Total Natural Resources	15,068	152,584
Higher Education		
University of Washington		
Minor Capital Repairs - Preservation	-	-
Minor Capital Repairs - Preservation	(1,910)	-
Total	(1,910)	-
Washington State University		
2013-15 Minor Works - Preservation, Safety, Infrastructure	(5,834)	-
Eastern Washington University		
EWU Minor Works Preservation	(1,139)	-
Washington Street Facilities Improvement	-	19,000

2014 Supplemental Capital Budget

Senate Ways and Means Chair

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New Appropriations	State Bonds	Total
Total	(1,139)	19,000
 <i>Central Washington University</i>		
Buried Oil Storage Tank Remediation	-	2,000
CWU Welcome Center	-	8,461
Total	-	10,461
 <i>The Evergreen State College</i>		
Facilities Preservation	(855)	-
Facilities Preservation	-	-
Tacoma Campus Acquisition	-	12,500
Total	(855)	12,500
 <i>Western Washington University</i>		
Carver Academic Renovation	50	50
Performing Arts Exterior Renewal	(552)	-
Total	(502)	50
 <i>Community & Technical College System</i>		
Centralia Community College: Student Services	-	3,162
Facility Repairs	(2,139)	-
Lower Columbia College: Student Housing	-	3,000
Lower Columbia College: Main Building Renovation	-	3,000
Total	(2,139)	9,162
 Total Higher Education	(12,379)	51,173
 Other Education		
<i>Public Schools</i>		
Spokane Valley Tech	1,000	1,000
Puget Sound Skills Center	1,891	3,891
Total	2,891	4,891
 <i>Center for Childhood Deafness & Hearing Loss</i>		
Lloyd Auditorium Emergency Repairs	260	260
 <i>Washington State Historical Society</i>		
History Museum Membrane System Replacement	1,748	1,748
 Total Other Education	4,899	6,899

2014 Supplemental Capital Budget

Senate Ways and Means Chair

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New Appropriations	State Bonds	Total
Special Appropriations		
Other Legislation		
SSB 6516		
Water Supply, Flood Control & Storm Water Mgt Task Force	-	1,000
SSB 6081		
Adjustment to 13-15 School Construction Budget	(57,894)	(77,780)
OSPI - STEM Grant Program	25,000	25,000
Franklin Pierce - Washington High School	7,500	7,500
University Place - Curtis High School	850	850
Zillah School District - Engineering & Robotics Facilities & Equip	450	450
Enumclaw School Dist. - STEM Computer Lab	200	200
Contract for Statewide Stem Organization	250	250
Initial Competitive Round of Grants	15,750	15,750
Full-Day Kindergarten Grant Program	25,000	25,000
Statewide Grants	24,750	24,750
Program Administration	250	250
Total	(7,894)	(26,780)
Statewide Total Including Other Legislation	-	121,382